



**Director of
Central
Intelligence**

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National Intelligence Daily (Cable)

17 July 1982

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CPAS NIDC 82-166C

17 July 1982

Copy 402

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Approved For Release 2007/09/13 : CIA-RDP84T00301R000400010069-8

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IRAN-IRAQ: Fighting Continues

(Information as of 2300 EDT)

//Heavy fighting continued yesterday along the border northeast of Al Basrah. Some Iranian forces apparently remain inside Iraq, and Iran may launch larger attacks this weekend.

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//The Iranians still appear to be about 2 kilometers inside Iraq *Heavy fighting was under way in the area of their initial breakthrough.*

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Iraqi jets bombed the towns of Hamadan, Kermanshah, Ilam, Abadan, and Islamabad yesterday. Tehran claimed the raids inflicted heavy civilian casualties. Meanwhile, Iraq accused Iran of resuming its shelling of the Iraqi border town of Khanaqin.

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Comment: *//Several major Iranian units still have not been committed to the battle, and Iran may commit these forces to a major assault this weekend. Large Iranian armor and artillery forces remain deployed near the weak point in Iraqi defenses. Other fresh Iranian units are located near the northwest flank of the Iraqi lines and near the Shatt al Arab.*

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Impact of Invasion on Iraq's Oil Exports

//Iraq's current oil export levels would not be affected in the event Iran captured Al Basrah and the nearby southern oilfields. Baghdad now produces and processes all its crude oil in the north.

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//Oilfields in the north have a sustainable production capacity of about 1.5 million barrels per day, but export channels are restricted to one pipeline across Turkey that has a 700,000 barrels per day capacity. The world oil market has remained relatively calm since the invasion into Iraq.//

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ISRAEL-LEBANON: Political Maneuvering

(Information as of 2300 EDT)

The cease-fire was generally observed yesterday, although the Israelis--citing alleged PLO and Syrian violations--fired on Palestinian positions near the airport. An official of the PLO reported a proposal for its withdrawal from Beirut. More groups critical of Israel's policy in Lebanon have appeared.

PLO Initiative

A senior PLO official said yesterday that the organization is willing to withdraw its leadership and fighters from Beirut to the northern Lebanon towns of Tripoli, Al Hirmil, and Ba'lbakk. Such a move would be temporary, the PLO official said, pending the outcome of negotiations on the withdrawal of all foreign troops from Lebanon.

Comment: The Israelis probably will continue to insist on the direct withdrawal of all PLO forces and will not accept the proposal. There is some support for such a move in Israel, however; a leader of the far-right Tehiya Party and former Prime Minister Rabin have expressed support for the idea of a temporary sanctuary for the PLO in Tripoli.

Israeli Antiwar Groups

several new groups opposed to Israeli entry into West Beirut and critical of the government's policy in Lebanon have appeared recently. Some of the groups include reserve soldiers who are publicly complaining about the way the fighting in Lebanon has been handled.

These new groups draw support largely from upper and middle class intellectuals of European origin and from kibbutz members. Polls continue to show that the opposition has a narrow base and that most Israelis support the government's handling of the war.

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POLAND: Leadership Changes

Premier Jaruzelski, in a major shakeup yesterday in the leadership at the party Central Committee plenum, further consolidated his position. []

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Stefan Olszowski, a hardliner who hoped to replace Jaruzelski as party leader, lost his seat on the powerful party secretariat. Jaruzelski balanced this step by removing a prominent liberal intellectual, Heronim Kubiak, from the secretariat. Both men remain on the Politburo.

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Jaruzelski also moved his economic adviser and the editor in chief of Poland's most prestigious economic weekly onto the secretariat. In addition, the Central Committee elected Marian Wozniak, another technocrat and supporter of Jaruzelski, to the Politburo. []

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Comment: These changes are part of Jaruzelski's continuing efforts to remove conservative and liberal extremists from senior leadership positions. Olszowski's demotion and the recent move of the hardline Warsaw Province party boss to be Ambassador to Moscow represent a substantial loss of power by hardliners. []

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The tension between Jaruzelski and Olszowski probably came to a head during debates over easing martial law. Although Jaruzelski evidently supports only minor gestures, he probably had to dump Olszowski in order to break a stalemate in the leadership. Jaruzelski is likely to reveal his plans regarding martial law next Wednesday in a speech to the parliament. []

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INTERNATIONAL: Anti-US Protests Relating to Lebanon

The continuing tension in Lebanon, together with the widespread perception in the Arab world and neighboring areas of US collusion with Israel, has inspired a number of anti-US incidents. Early this week there were small demonstrations in Syria and in Qatar protesting US support for Israel. On Thursday some 200 demonstrators entered the US Embassy compound in Jakarta, Indonesia. Yesterday student protesters in Bangladesh entered the US Embassy in Dacca and an Indian Islamic group demonstrated peacefully at US facilities in Calcutta. []

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Comment: An Israeli assault on West Beirut probably would result in more serious threats to American lives and property. If anti-US sentiment continues to build, even Egypt and other friendly regimes with effective security services would have difficulty controlling an angry public and nullifying threats to Americans from extremists. The war between Iran and Iraq could add to this problem, especially in the Persian Gulf states, if the Shia population or religious extremists took to the streets. []

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EL SALVADOR: New Government Offensives

//Government forces have begun two new offensive operations against insurgent concentrations. The insurgents have been able to isolate much of the east by frequent interdiction of the Inter-American Highway in San Vicente, and one operation is designed to relieve guerrilla threats to traffic on the highway. The other aims to dislodge insurgents from several small towns along the Honduran border in Chalatenango. Honduran units near the border will provide blocking forces for this more limited operation.//

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Comment: //The government probably will open up the highway, at least temporarily, and help to restore the confidence of civilians in the east. The offensive in Chalatenango is likely to clear guerrillas from the towns themselves, but it will take a sustained effort to force them out of the strongholds they have developed in the region. The troops will have to be careful not to fall into any major insurgent ambushes such as occurred last month in Morazan.//

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AUSTRALIA-UK: Carrier Deal Falls Through

//London has taken up Prime Minister Fraser's offer, made during the Falklands crisis, to release it from a contract to sell Australia the British aircraft carrier Invincible. This move has reopened the debate in Australia over replacing Australia's decommissioned carrier.//

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Comment: //A new carrier would cost at least \$1 billion, over double the bargain price for the British vessel, and opponents argue this would overburden the budget. Nevertheless, Australia is looking into the possibility of having a carrier built in the US. British officials have cautioned that retention of the Invincible does not necessarily mean London will have a force of three carriers rather than the two previously planned. The British decision to keep the carrier is designed to help forestall backbench Tory criticism concerning naval surface strength while the government works on longer term defense plans.//

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BOLIVIA: Call for Elections

//President Torrelio has called for general elections on 24 April 1983, with the new government to be installed on 6 August. The President's decision followed increasingly strident demands by both the military and political parties to return the country to civilian rule. In making the announcement, Torrelio has withdrawn a promise he reportedly gave senior officers that he would resign in favor of a junta, which in turn would schedule elections and select an interim president.//

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Comment: //Torrelio's ability to fend off the military, maintain control, and complete the transition remains in doubt. The military is likely to be angry with him for backing out on his agreement to step down. More importantly, economic problems could lead to serious public disorder--wheat is about to run out and other basic commodities are in short supply. Although widespread unrest could provide a pretext for someone in the military to move, probably none of the possible successors would be better equipped to solve the country's problems.//

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SPECIAL ANALYSIS

NAMIBIA: The Cuban Issue in the Negotiations

//Negotiations on a Namibian settlement have picked up momentum, but overall success now hinges on a Cuban troop withdrawal from Angola. The public positions of the major parties to the negotiations are far apart on this issue. South Africa insists on the withdrawal of Cuban troops as a condition for a settlement, while Angola and the other Frontline States have rejected linking the Cuban question to a settlement.//

//There are an estimated 20,000 to 25,000 Cuban military personnel in Angola, most of them combat troops. The Cuban presence enables a militantly Marxist faction that lacks wide domestic support to dominate the Angolan Government. In 1977, for example, Cuban forces helped put down a coup attempt by opponents of the Marxist faction.//

//Cuban troops also protect Angola's vital oil production facilities in the Cabinda enclave. In southern Angola, Cubans man ground and air defense installations along the Mocamedes rail line that serve as the main defense against South African military incursions.//

//In addition, the Cubans support the Angolan Army's operations against the insurgency of Jonas Savimbi's National Union for the Total Independence of Angola, which receives significant South African aid. There are some signs that Cuban forces have begun taking a more active role in combat against UNITA.//

many members of the Angolan regime are disenchanted with the Cuban role. Despite the large Cuban presence, military pressure from South Africa and UNITA continues to take a heavy toll on Angola's economy and society.//

//Some Angolan leaders probably are willing to accept a partial withdrawal of Cubans as part of a Namibian settlement. This would end South African incursions into southern Angola and deny UNITA easy access to South African aid.//

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//The Angolan regime, however, probably is anxious to retain some Cuban forces in the south in order to contain UNITA. A settlement on Namibia would not heighten Luanda's interest in a reconciliation with Savimbi, because the Angolan Government probably calculates that, without direct aid from Pretoria, the insurgency would gradually wither.// [redacted]

The Frontline Stance

//Angola and several other Frontline States have argued that the Cuban troops will withdraw as a natural consequence of a settlement and what they believe would be a subsequent easing of military pressure in southern Angola. Some Frontline leaders have admitted [redacted] however, that the Cuban issue needs to be addressed now.// [redacted]

//Most of the Frontline leaders probably would go along with a simultaneous withdrawal of the bulk of the Cuban troops from Angola and the withdrawal of South African troops from Namibia during the settlement's implementation. Angolan President dos Santos appears interested in this approach, but he may lack the necessary support in the regime.// [redacted]

Other Positions

//The USSR evidently sees important geopolitical benefits in its continued involvement in Angola, [redacted]

[redacted]
Moscow probably takes a negative view of a settlement--especially one coupled with a Cuban withdrawal from Angola.// [redacted]

//Pressure from black African countries, however, could inhibit the Soviets from undertaking major efforts to block progress. The Cubans appear ambivalent on the future status of their forces in Angola, and Havana probably will be guided by Soviet preferences.// [redacted]

//South African Prime Minister Botha recently has reiterated in public that the "mass of Cubans go" before a settlement is put into effect. South African policymakers probably are still debating a number of issues relating to Namibia, however, including the timing and size of a Cuban troop withdrawal during the settlement's implementation.// [redacted]

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//Botha probably is anxious to reach a quick settlement on Namibia in order to deprive his rightwing critics of political ammunition. For Botha and like-minded policy-makers, the Cuban issue is in part political. They will need a sizable Cuban withdrawal from Angola to diminish a domestic backlash to SWAPO's possible election victory in Namibia, but not necessarily the total withdrawal they have occasionally demanded in public.//

//The other side of the debate in Pretoria presumably is being led by hardliners who have long been less anxious to achieve a settlement in Namibia. They probably are using the Cuban issue to obstruct negotiations and force an internal settlement that would exclude participation by SWAPO and the UN. This group apparently assumes the West would ultimately acquiesce to such a settlement.//

Prospects

//The South African leadership's public statements on the Cuban issue has heightened the domestic political cost of any compromise. Pretoria, however, might be persuaded to settle for the withdrawal of a sizable number of Cuban troops during the settlement's implementation, provided that there are firm assurances that most--if not all--would depart later.//

//The regime in Angola also might be persuaded to accept a partial Cuban withdrawal in connection with the simultaneous departure of South African troops from Namibia, but not as part of a publicly linked package settlement.//

//The roadblock to any settlement, however, would be the regime's insistence on retaining a sizable number of Cuban troops until it was certain that UNITA was no longer a threat.//

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